

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

JOANN INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 25-10068 (CTG)

(Jointly Administered)

**RESERVATION OF RIGHTS WITH RESPECT TO MOTION OF DEBTORS FOR
ENTRY OF AN ORDER (I) APPROVING BIDDING PROCEDURES, (II)
SCHEDULING CERTAIN DATES AND DEADLINES WITH RESPECT THERETO,
(III) APPROVING THE FORM AND MANNER OF NOTICE THEREOF, (IV)
APPROVING THE STALKING HORSE AGREEMENT, (V) ESTABLISHING NOTICE
AND PROCEDURES FOR THE ASSUMPTION AND ASSIGNMENT OF CONTRACTS
AND LEASES, (VI) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF
ASSUMED CONTRACTS AND LEASES, (VII) APPROVING THE SALE OF ASSETS,
AND (VIII) GRANTING RELATED RELIEF**

A minority lender under the Debtors' prepetition term loan facility ("Project Swift LLC") hereby submits this reservation of rights (this "Reservation of Rights") to the *Motion of Debtors for Entry of an Order (I) Approving Bidding Procedures, (II) Scheduling Certain Dates and Deadlines With Respect Thereto, (III) Approving the Form and Manner of Notice Thereof, (IV) Approving the Stalking Horse Agreement, (V) Establishing Notice and Procedures for the Assumption and Assignment of Contracts and Leases, (VI) Authorizing the Assumption and Assignment of Assumed Contracts and Leases, (VII) Approving the Sale of Assets, and (VIII) Granting Related Relief* (the "Sale Motion") (Dkt. Nos. 17, 428), and respectfully states as follows:

¹ The Debtors in these cases, together with the last four digits of each Debtor's taxpayer identification number, are: JOANN Inc. (5540); Needle Holdings LLC (3814); Jo-Ann Stores, LLC (0629); Creative Tech Solutions LLC (6734); Creativebug, LLC (3208); WeaveUp, Inc. (5633); JAS Aviation, LLC (9570); joann.com, LLC (1594); JOANN Ditto Holdings Inc. (9652); and Jo-Ann Stores Support Center, Inc. (5027). The Debtors' mailing address is 5555 Darrow Road, Hudson, OH 44236.

RESERVATION OF RIGHTS

Project Swift LLC supports this Court's approval of a value-maximizing sale transaction. Details regarding the allocation of sale proceeds between GA Joann Retail Partnership, LLC (the "Agent") and Wilmington Savings Fund Society, FSB, in its capacity as prepetition term loan agent (the "Term Agent"), particularly with respect to the waterfall of Section 3.2 of the proposed Agency Agreement, have not yet been filed with this Court or otherwise disclosed. Counsel to Project Swift LLC has been in discussions with counsel to the Term Loan Ad Hoc Group and based on these discussions, Project Swift LLC remains supportive of the sale transaction and informally agreed-to allocations. However, Project Swift LLC reserves all rights until the arrangement orally communicated to Project Swift LLC is formalized in writing in ancillary documents.

CONCLUSION

WHEREFORE, Project Swift LLC reserves all rights, including to request additional information relating to the waterfall sharing of Section 3.2 of the Agency Agreement, and respectfully requests that the Court grant such other relief as is just and proper.

Dated: February 25, 2025
Wilmington, Delaware

/s/ Sean M. Beach

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